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SUBJECT: FIRST MEETING WITH PRESIDENT-ELECT CORREA

Classified By: PolChief Erik Hall for reasons 1.4 (b&d)

- 11. (SBU) Summary: President-elect Correa was extremely cordial and effusively thanked the Ambassador for President Bush's call, which he clearly had not expected and characterized as generous and "classy." The Ambassador emphasized that the bilateral relationship is starting fresh, and that Correa's words would be as important as deeds to build trust and confidence. Correa agreed that there are many areas of convergence in the relationship, and emphasized that his government would fully cooperate in the fight against narcotics trafficking. Correa delivered a letter to the Ambassador urging ATPDEA renewal, which appeared to be drafted as a form letter to be sent to U.S. members of Congress (included at end of this cable). The Ambassador told him the Administration supported ATPDEA renewal for all four Andean countries, but Congressional action was uncertain given a variety of issues involved, including sentiment caused by his opposition to an FTA. Both pledged to continue to explore areas of cooperation and convergence, while keeping a channel of direct communication open on all issues. End Summary.
- 12. (U) The Ambassador met with President-elect Rafael Correa at our request on December 1 at his office. The one-on-one meeting was scheduled for a half hour, but stretched to a full hour. At Correa's request, the meeting was preceded by a photo-opportunity. His office also released a press statement after the meeting and asked that the Embassy do the same.

Starting Fresh

- 13. (SBU) Correa effusively thanked the Ambassador for President Bush's congratulatory call of November 30, asking her to convey his appreciation for the President's "grace" and "classiness" in offering a clean slate for good relations. Correa reminded the Ambassador he had publicly disavowed his earlier insulting comments about President Bush, and said the President's call had been unexpectedly generous.
- ¶4. (SBU) The Ambassador emphasized that Correa's words would be as important as his government's deeds in shaping a constructive relationship with the United States. She affirmed our commitment to strengthening democracy and its institutions, and underscored the importance of respect for the bounds of the constitution. He faced the challenge of ensuring that his government reflects his intentions and not those of some of the more radical voices advising him. Correa agreed, saying that managing his team would take "firm

leadership." He fervently assured the Ambassador that he and his advisors were honest and sincerely committed to the public interest, contrasting his team with defeated presidential candidate Alvaro Noboa's.

15. (SBU) Correa returned throughout the conversation to the theme of necessary "cultural change" in Ecuador, and his affinity with U.S. culture. For example, he professed discomfort with Ecuadorian sexual stereotyping that made him uncomfortable, such as dancing with beauty queens (as he had done the night before at an event commemorating Quito days) and forcing his reluctant wife into the role of First Lady (she was nervous about assuming this role, he said). Racism remains pervasive here, he said, not in the law but in practice. He contrasted Ecuadorian obsession with class, reflected in the emphasis on genealogical roots, with the American individualism that he found refreshing and much preferred. He repeatedly said his goal was to create an Ecuadorian middle class.

## CN Cooperation

16. (SBU) The Ambassador raised the serious and growing threat to Ecuador's sovereignty posed by narco-trafficking and related illegal activity. Correa was quick to assure the Ambassador that his government would be "totally committed" to the fight against narcotics trafficking. The Ambassador offered at a future date to arrange a briefing for Correa and his senior team on counter-narcotics realities as we see them and effective U.S.-Ecuador cooperation in this field. Correa accepted enthusiastically.

#### Economics

- 17. (SBU) Correa expressed interest in ATPDEA extension debate in the U.S. Congress, providing a letter addressed to the Ambassador on the issue. The Ambassador said the Administration position in favor of renewal for all four Andean nations had not changed, but the matter would ultimately be decided by Congress. She explained how the process was unfolding and some of the factors involved. She noted that because most members of Congress viewed the ATPDEA benefits as a stepping-stone to an FTA, his position against an FTA could prejudice support for Ecuador's renewal. A positive decision on Colombia and Peru seemed to enjoy broader support than renewal for Ecuador and Bolivia.
- 18. (SBU) Going beyond the shared counter-narcotics fight and preferential access to the U.S. market, the Ambassador emphasized areas of convergence and mutual interest that merit further exploration, and Correa reciprocated this interest. Economic competitiveness/job creation, labor and custom reform, the environment and the fight against international crime including trafficking in persons were all worthy of cooperation and joint efforts. Correa agreed, asking for USG suggestions on how to improve customs, crack down on abusers of worker rights, and provide additional alternatives for fishermen in the Galapagos. He said he hoped to convince his wife to assume the leadership of INNFA, the national child and family institute, which has played a critical role educating Ecuadorians to the dangers of trafficking in persons.

# Personnel

¶9. (SBU) The Ambassador did not press Correa on his Cabinet choices, but found an opening to express our concern about the rumored appointment of Rene Vargas Pazzos as Minister of Defense. Correa said that he would not be appointing Vargas. He confirmed that he was committed to appointing a civilian, and hinted it might be recognized military expert Bertha Garcia. The Ambassador asked if he had thought about who he might name as his Ambassador in Washington. Correa said he had not given the matter sufficient thought, but joked that he had "lots of friends who loved the U.S." to choose from.

He also indicated he was considering retaining the current Minister of Education, which the Ambassador strongly supported.

# Next Steps

110. (SBU) Correa asked if a trip to the U.S. would help assure ATPDEA passage. The Ambassador noted that Congress might act as soon as next week on the issue, making it too late to coordinate an effective trip at this stage, but if Congress deferred action then the idea could be revisited. She emphasized early opportunities for Correa to engage with Department and Congressional leadership, in expected upcoming visits by WHA A/S Shannon and CoDel Reid. Correa said he would be happy to do so. Correa and the Ambassador agreed that direct communication was essential to understanding between the two governments, and both pledged to keep personal lines of communication open.

## Comment

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111. (SBU) Correa was clearly "wowed" by the president's call and continues to signal warmth and interest in constructive relations in private. While the atmospherics could not be better, we will have many opportunities to test the limits of apparent goodwill in coming weeks and months.

ATPDEA letter translation

November 30, 2006

Addressed to Ambassador Jewell

On November 16, 2006, I had the honor of sending a letter to all of your Honorable Members of the House of Representatives, in my capacity as presidential candidate to the Republic of Ecuador. In that letter I asked that you favorably consider extending the ATPDEA.

Today, as President-elect of Ecuador, I wish to address you, one of the important leaders of the House of Representatives (of the Senate), to express the same request. The ATPDEA was established by the United States as support for our efforts against narco-trafficking, where we utilized important human and economic resources, and will continue doing so because this is not one country's cause but of all humanity.

The existence of these trade preferences has helped us in a very important way to generate employment in the production of goods destined for export to U.S. markets. Whoever has dignified employment does not look for employment opportunities related to narco-trafficking, and neither do they wish to emigrate to the U.S. to support their families. Suspension of ATPDEA benefits might generate negative results in the continuous effort that our country pursues against the enormous power of narco-trafficking.

The ATPDEA program is an example of cooperation that enriches relations between our two peoples. We appeal to both your level of comprehension and sensibilities that through your positive actions, the U.S. Congress prior to the closing of its current session, extend these trade preference benefits for at least one more year, and if possible, for an indefinite period. The people of the four Andean nations, and Ecuador in particular, will be grateful.

The extension of ATPDEA will prove to be an important sign that relations between the United States and Ecuador will continue to be friendly and as productive as they have always been.

Cordially, Rafael Correa Delgado, President-Elect of Ecuador

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